EAST BAY DISCHARGERS AUTHORITY
COMMISSION MEETING MINUTES

September 19, 2013

1. Call to Order
Chair Peixoto called the meeting to order at 9:30 A.M. on Thursday, September 19, 2013, at the Oro Loma Sanitary District Boardroom, 2655 Grant Avenue, San Lorenzo, CA 94580.

2. Roll Call
PRESENT: Dave Sadoff, Castro Valley Sanitary District; Jim Prola, City of San Leandro; Marvin Peixoto, City of Hayward; Tom Handley, Union Sanitary District; Ron Dias, Oro Loma Sanitary District

ABSENT: None

OTHERS
PRESENT: Mike Connor East Bay Dischargers Authority
Steve Meyers Legal Counsel
Linda Adams East Bay Dischargers Authority
David Stoops East Bay Dischargers Authority
Dean Wilson City of San Leandro
Jason Warner Oro Loma Sanitary District
Rich Currie Union Sanitary District
Ed McCormick Union Sanitary District
Alex Ameri City of Hayward

3. Public Forum
There were no members of the public in attendance at the meeting.

CONSENT CALENDAR

5. List of Disbursements for August 2013
6. Preliminary Treasurer’s Report for August 2013
A motion by Commissioner Handley, seconded by Commissioner Dias, to approve the consent calendar passed by a vote of 5 ayes, 0 noes.

REGULAR CALENDAR

7. General Manager’s Report
The General Manager introduced Dave Sadoff, alternate Commissioner who represents Castro Valley Sanitary District. He also introduced Ed McCormick, Deputy General Manager at Union Sanitary District. The General Manager showed a slide presentation that summarized EBDA’s performance in the past year.
EBDA's permit compliance was successfully met with a wide margin for error in most compliance points. The points of most concern were fecal coliform, mercury and acute toxicity, which we were able to meet by careful pipeline maintenance and effective pre-treatment programs. Acute toxicity continues to be a concern because the tests results show significant variability based more on fish husbandry than effluent quality. The General Manager's goal is to have this method replaced an alternative test procedure that is more consistent.

Operations and maintenance costs were up this year due to pump maintenance and sodium bisulfite usage. The recent overhaul of pumps at the Hayward Effluent Pump Station should reduce energy costs per gallon pumped.

Sanitary Sewer Overflow incidents are lower in EBDA's service area compared with the rest of the Bay Area. Both Oro Loma and Union Sanitary Districts have done exceptionally well in reducing incidents.

Staff's fine-tuning of EBDA's asset management program should result in more efficient maintenance and repair of its aging infrastructure.

The General Manager's goal is to come in under budget; however, since wet weather can affect the budget by 10-20%, it was difficult to claim much credit for being under budget this year since the weather was so dry.

Staff's usage of sick leave (< 6 days/yr) was used as an indicator of personnel performance. In the last year, staff used almost no sick leave, which is a marked improvement over previous years.

In summary, the General Manager believes that the Authority's biggest challenge over the next five years will be how it deals with the watershed nutrient permit. Another consideration is that, as noted recently by the California Association of Sanitation Agencies (CASA) and the Water Environment Research Foundation (WERF), the future of wastewater is not in treatment but in resource recycling. An example of this is using resources in our wastewater to improve shoreline marshlands. As these issues were discussed with the Managers' Advisory Committee, the Committee indicated that the member agencies are depending upon EBDA to take the lead in regional issues.

Finally, staff changes as described in the Personnel Committee report, such as the Administrative Assistant's retirement and the proposed transition of the General Manager's duties, will require much discussion and planning.

8. Report from the Managers Advisory Committee (MAC)

The Committee discussed the ways to improve the Alvarado Effluent Pump Station and had good consensus on how to proceed there. The Committee also discussed the near completion of the Oro Loma Effluent Pump Station right angle gear drive project.

As noted in the General Manager's report, the Committee discussed the status of the watershed nutrient permit. In advance of the upcoming rainy season, the Committee also discussed EBDA's Standard Operating Procedures (SOP) with regard to flow management. Manager Stoops will be meeting with each Agency Manager to review the
SOP that now includes the ability to avert water to the Hayward Ponds during heavy flows.

9. Report from the Financial Management Committee
The Committee reviewed the annual California Employers’ Retiree Benefit Trust (CERBT) Fund statement. EBDA’s investment has consistently earned income since EBDA joined the trust that prefunds the Authority’s retiree health benefit obligations. The Authority’s biennial actuarial valuation is being prepared and should be ready by mid-October.

The Committee was also informed of dismissal of the lawsuit against EBDA. Though EBDA was proven to have zero liability in the case, it must bear the cost of legal defense by its insurance carrier. In response to questions about how to mitigate these costs, the Legal Counsel Meyers stated that though his firm was not involved in the case, it is likely that payment of legal fees was a part of the settlement negotiations. He stated that it is normally very difficult for a public agency to recover its attorney’s fees in a tort claim against it.

Finally, the Committee recommended adoption of a resolution that approves revisions to the Financial Management Policy and Procedures Manual to increase the General Manager’s discretionary purchasing limit from $25,000 to $50,000 for items previously approved by the Commission in the budget.

A motion by Commissioner Prola, seconded by Commissioner Sadoff, to accept the Financial Management Committee report passed by a vote of 5 ayes, 0 noes.

10. Resolution Approving Revisions to the Financial Management Policy and Procedures Manual, Section IV, Procurement, to Increase the General Manager’s Discretionary Purchasing Limit from $25,000 to $50,000
Commissioner Dias confirmed that this action was reviewed by Legal Counsel and that it will provide an increase in the General Manager’s discretionary purchasing limit for non-emergency items previously approved by the Commission in the budget. Commissioner Dias stated that this action is consistent with Oro Loma’s practice.

The resolution, introduced by Commissioner Dias and seconded by Commissioner Prola, approving revisions to the Financial Management Policy and Procedures Manual, Section IV, Procurement, to increase the General Manager’s discretionary purchasing limit from $25,000 to $50,000 for items previously approved in the budget was adopted by a vote of 5 ayes, 0 noes.

Ayes: Commissioners Sadoff, Prola, Handley, Dias and Chair Peixoto
Noes: None
Absent: None
Abstain: None
11. **Report from the Regulatory Affairs Committee**
The Committee discussed EBDA’s continued good performance and the major elements of the watershed nutrient permit. BACWA has been forming a negotiation team to work with the Water Board on development of the permit. There are four major components of the permit:

- A cap on total nitrogen load that, if exceeded, would not initiate a violation but would signal a need to determine its cause and next steps;
- A requirement for ongoing effluent monitoring under the Water Board’s 13267 Letter;
- A requirement to fund ongoing bay nutrient monitoring to better define the public’s concerns and what treatment loads are consistent with maintaining acceptable levels; and
- A requirement for agencies to evaluate the cost of reducing nutrient loads.

EBDA has joined with EBMUD in submitting a grant proposal to the EPA to evaluate sidestream treatment. Sidestream is the water compressed from sludge that normally has very high ammonia content. Treating the sidestream may be a cost-effective way to reduce overall nitrogen levels. More information on the grant will be provided to the Committee at the next meeting.

A motion by Commissioner Dias, seconded by Commissioner Prola, to accept the Regulatory Affairs Committee report passed by a vote of 5 ayes, 0 noes.

12. **Report from the Operations and Maintenance Committee**
The Committee discussed repair of the effluent pumps at the Hayward Effluent Pump Station. Two pumps have already been overhauled. There is a resolution in the package to approve overhaul of a third pump in preparation of the wet weather season. A fourth pump will be overhauled next year. Chair Peixoto stated that the Committee’s site visit was productive.

A motion by Commissioner Prola, seconded by Commissioner Dias, to accept the Operations and Maintenance Committee report passed by a vote of 5 ayes, 0 noes.

13. **Resolution Accepting the Estimate of Repairs and Authorizing the General Manager to Issue a Purchase Order to Pump Repair Service Company for Overhaul of the No. 3 Effluent Pump and Motor at the Hayward Effluent Pump Station in the Amount of $37,371**
The resolution, introduced by Commissioner Dias and seconded by Commissioner Handley, accepting the estimate of repairs and authorizing the General Manager to issue a purchase order to Pump Repair Service Company for overhaul of the No. 3 effluent pump and motor at the Hayward Effluent Pump Station in the amount of $37,371 was adopted by a vote of 5 ayes, 0 noes.

**Ayes:** Commissioners Sadoff, Prola, Handley, Dias and Chair Peixoto  
**Noes:** None
Absent: None
Abstain: None

14. Report from the Personnel Committee
The Committee reviewed the status of the Administrative Assistant recruitment. The General Manager has conducted preliminary interviews of six candidates. The Committee also reviewed staff evaluations and goals and EBDA's balanced scorecard of performance. The General Manager informed the Committee of his acceptance to the Fulbright Scholarship Program. He is currently awaiting assignment. The Committee asked that the General Manager stay in close contact with EBDA while away at Fulbright sessions.

A motion by Commissioner Prola, seconded by Commissioner Dias, to accept the Personnel Committee report passed by a vote of 5 ayes, 0 noes.

15. Closed Session
The Commission met in closed session pursuant to Government Code Section 54957(b)(1) to discuss the General Manager’s annual performance evaluation.

16. Reconvene to Open Session
Chair Peixoto stated that no reportable action was taken by the board in closed session.

17. Items from the Commission and Staff
There were no items from the Commissioner or staff.

18. Adjournment
With no further business, Chair Peixoto adjourned the meeting at 10:58 a.m.

Michael S. Connor
General Manager